

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject

Water Quality Protection Charge

Number

17-12

Originating Department

Department of Environmental Protection and Department of Finance

Effective Date

Montgomery County Regulation on:

WATER QUALITY PROTECTION CHARGE

DEPARTMENT OF ENVIRONMENTAL PROTECTION AND DEPARTMENT OF FINANCE

Issued by: County Executive Regulation No. 17-12

Authority: Code Section 19-35 Supersedes: Executive Regulation 6-02AM Council Review: Method (1) under Code Section 2A-15 Register Vol. 29 No. 7

Comment Deadline: December 15, 2012

Effective Date:

Sunset Date: None

Summary:

This regulation amends Executive Regulation 6-02AM, which establishes the procedure to set rates for and implement a water quality protection charge to be applied to certain properties based on those properties' contribution of runoff to the County's stormwater management system.

Address:

Written comments on these regulations should be sent to:

Steven Shofar, Chief

Division of Watershed Management Department of Environmental Protection

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Rockville, Maryland 20850

Staff Contact: For further information or to obtain a copy of this regulation, contact Steve Shofar at (240) 777-

7736.



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Section 1. General Provisions

- A. Authority. In accordance with the authority conferred under Chapter 19, Section 19-35, of the Montgomery County Code, [1994] 2004, as amended (hereinafter referred to as the "Code"), the County Executive hereby promulgates this regulation for the purpose of implementing the County's Water Quality Protection Charge as set forth in Chapter 19 of the Code.
- B. Applicability. This regulation applies to all owners of residential property and [associated] nonresidential property in Montgomery County, Maryland.

Section 2. Definitions

The definitions of the terms used in this regulation are provided in Chapter 19, Section 19-21, of the Code. For purposes of this regulation, the following additional words and phrases will have the meaning respectively ascribed to them in this regulation unless the context indicates otherwise:

Agricultural Property — A property that is used primarily for agriculture, viticulture, aquaculture, silviculture, horticulture, or livestock and equine activities; temporary or seasonal outdoor activities that do not permanently alter the property's physical appearance and that do not diminish the property's rural character; or activities that are intrinsically related to the ongoing agricultural enterprise on the property.

Base Rate - The annually designated dollar amount set by the County Council to be assessed for each equivalent residential unit of property that is subject to the Water Quality Protection Charge.

Condominium - A [residential] property that is subject to the condominium regime established under the Maryland Condominium Act.

Director - The Director of the Montgomery County Department of Environmental Protection or the Director's designee.

Equivalent Residential Unit or ERU - The statistical median of the total horizontal impervious area of developed single[-]family detached residences in the County that serves as the base unit of assessment for the Water Quality Protection Charge. The designated ERU for Montgomery County equals 2,406 square feet of impervious surface.

Multifamily Residential Property - A mobile home park or a residential building where one or more dwelling units share a common entrance from the outside with other dwelling units that are arranged above, below or next to one another in the same building[.], and any housing unit that is subject to the

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condominium regime established under the Maryland Condominium Act.

Water Quality Protection Charge or Charge - An assessment levied by the Director of Finance to cover the cost of constructing, operating, and maintaining facilities within the County's stormwater management system and fund related expenses allowed under applicable state law based on the impact of stormwater runoff from the impervious areas of developed land in the County.

Section 3. Classification of Properties

For purposes of determining the appropriate assessment rate, all properties that are subject to the Water Quality Protection Charge are assigned to one of the following classifications:

- A. [Detached] <u>Single family Residential Tier 1 (SFR1):</u> [single family residential property:] For [detached] single[-]family residential properties[,] <u>where</u> the <u>estimated total</u> impervious area <u>is less than or equal to 1,000 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.</u>
- B. [Attached single-family residential property: Attached single-family residential properties, which include townhouses and duplexes, contain the same kind of impervious area as detached single-family residential properties.]Single family Residential Tier 2 (SFR2): For single family residential properties where the estimated total impervious area is greater than 1,000 square feet and less than or equal to 1,410 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.
- C. [Multifamily residential property: For multifamily residential properties the impervious area includes the residential structures that contain the dwelling units, the sidewalks, parking lots and any other permanent installations on the developed parcel, whether under single or common ownership, that is impenetrable by water.] Single family Residential Tier 3 (SFR3): For single family residential properties where the estimated total impervious area is greater than 1,410 square feet and less than or equal to 3,412 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.
- D. <u>Single Family Residential Tier 4 (SFR4):</u> For single family residential properties where the estimated total impervious area is greater than 3,412 square feet and less than or equal to 3,810 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.
- E. Single Family Residential Tier 5 (SFR5): For single family residential properties where the

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estimated total impervious area is greater than 3.810 square feet and less than or equal to 5.815 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.

- F. Single Family Residential Tier 6 (SFR6): For single family residential properties where the estimated total impervious area is greater than 5,815 square feet and less than or equal to 6,215 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.
- G. Single Family Residential Tier 7 (SFR7): For single family residential properties where the estimated total impervious area is greater than 6,215 square feet and includes the house, driveways, sidewalks, sheds, and any other fixtures on the property that are impenetrable by water.
- H. Multifamily residential property: For multifamily residential properties the impervious area includes the residential structures that contain the dwelling units, the sidewalks, parking lots and any other permanent installations on the developed parcel, whether under single or common ownership, that is impenetrable by water.
- I. [Associated nonresidential] Nonresidential property: [Associated nonresidential] Nonresidential properties may include commercial properties such as office buildings, hotels, retail establishments or industrial properties such as factories and warehouses. [Associated nonresidential] Nonresidential properties also include properties owned by homeowner associations, not-for-profit entities such as religious institutions, healthcare facilities, [and] other developed properties devoted to non-governmental charitable and institutional uses[.], and any government-owned properties subject to the Charge. The impervious area for these properties includes all buildings, parking lots, sidewalks, and any other impermeable installations permanently attached to the land parcel containing those installations.
- J. Agricultural property: The impervious area for agricultural properties only includes the houses on those properties.

Section 4. Rates

A. [Detached single-] <u>Single family</u> residential properties: The Charge for each [detached] single-family residential property is <u>based on a percent of</u> the [full applicable] base rate for one ERU[.] in accordance with its assigned tier classification as follows:

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- [B.] (1) [Attached single-family residential properties:] <u>Single Family Residential Tier 1 (SFR1):</u>
 The Charge for each [attached single-family residential] <u>Single Family Residential Tier 1</u>
 property is 33 percent of the applicable base rate for one ERU.
- [C.] Single Family Residential Tier 2 (SFR2): The Charge for each Single Family Residential Tier 2 property is 50 percent of the applicable base rate for one ERU.
 - (3) Single Family Residential Tier 3 (SFR3): The Charge for each Single Family Residential Tier 3 property is 100 percent of the applicable base rate for one ERU.
 - (4) Single Family Residential Tier 4 (SFR4): The Charge for each Single Family Residential Tier 4 property is 150 percent of the applicable base rate for one ERU.
 - (5) Single Family Residential Tier 5 (SFR5): The Charge for each Single Family Residential Tier 5 property is 200 percent of the applicable base rate for one ERU.
 - (6) Single Family Residential Tier 6 (SFR6): The Charge for each Single Family Residential Tier 6 property is 250 percent of the applicable base rate for one ERU.
 - (7) Single Family Residential Tier 7 (SFR7): The Charge for each Single Family Residential Tier 7 property is 300 percent of the applicable base rate for one ERU.
- <u>B.</u> Multifamily residential properties: The Charge for each multifamily residential property is based on the number of ERUs assigned to the property in accordance with the following procedure:
 - (1) The Director determines the number of ERUs for a multifamily residential property by dividing the property's actual impervious area by the designated ERU for Montgomery County.
 - (2) The Director computes the billable Charge by multiplying the base rate by the total number of ERUs assigned to the property.
 - (3) If the multifamily residential property is a condominium development, the Director calculates the Charge to be billed in equal shares to the owners of the development by dividing the total ERUs calculated for the property by the number of individual condominium units and then multiplying the sum by the base rate to determine the amount billable to each unit owner.



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- [D.] <u>C.</u> [Associated nonresidential] <u>Nonresidential</u> properties: The Charge for [the owner of] each [associated] nonresidential property is based on the number of ERUs assigned to the property in accordance with the following procedure:
 - (1) The Director determines the number of ERUs for [an] <u>a</u> [associated] nonresidential property by dividing the <u>property's</u> actual impervious area by the designated ERU for Montgomery County.
 - (2) The Director computes the billable Charge by multiplying the base rate by the total number of ERUs assigned to the property.
 - (3) If the nonresidential property is a condominium development, the Director calculates the Charge to be billed in equal shares to the owners of the development by dividing the total ERUs calculated for the property by the number of individual condominium units and the multiplying the sum by the base rate to determine the amount billable to each unit owner.
- <u>D.</u> Agricultural properties: The Charge for each agricultural property is based on a percent of the base rate for one ERU in accordance with the applicable Single Family Residential Tier.

Section 5. Credits

- A. The Director may issue a credit to a nonresidential or multifamily residential property owner if the property contains a stormwater management system and the system is maintained in accordance with the maintenance requirements of the Department of Environmental Protection. A property may be credited for treatment of off-site drainage from other properties located within the same drainage area as that property. A property that does not contain a stormwater management system may be credited if located within the same drainage area as another property that contains a stormwater management system if both properties have the same owner. However, a property owner may not receive a credit based on a calculation that exceeds the total impervious area on the property for which the credit is issued. A property owner may receive a maximum credit of 50 percent for a combination of ESD and other stormwater management systems or a maximum credit of 60 percent if the property is completely treated by ESD practices alone. Otherwise, the Director will calculate the credit based on the following criteria:
 - (1) 25 percent credit for the treated impervious area if the facility is designed to manage the full water quality volume;
 - (2) 25 percent credit for the treated impervious area if the facility is designed to manage the



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full channel protection volume; or

- (3) 60 percent if the property is designed to treat the entire ESD volume using ESD practices.
- B. Requests for credit by the property owner must be submitted on form approved by the Department of Environmental protection.
- C. The Director may award a maximum credit of 50% as provided in Table 2 to the owner of a single family residential property if the property contains a County approved stormwater management system and the system is maintained in accordance with the maintenance requirements of the Department of Environmental Protection. To receive the credit, the owner must submit a request using a form provided by the Department.

<u>Table 2. Single Family Residential Credit Calculation</u> <u>Criteria</u>	
System Type	Percentage
Adopt a Best Management Practice	<u>50</u>
Rain garden, pervious pavement, green roof	<u>25</u>
Conservation landscaping, dry well, rooftop disconnection	<u>15</u>
Cistern/rain barrel (>=200 gallon)	10

D. Application Schedule

(1) To receive the credit, the property owner must submit a request to the Director of
Environmental Protection in a form prescribed by the Director not later than October 31
of the year before payment of the Charge is due.



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Once approved, the credit is valid for three years. To renew the credit, the Property owners must submit a new request to the Director in a form prescribed by the Director not later than October 31 of the year before payment of the Charge is due.

Section 6. Billing and Payment

- A. The Director must prepare and forward to the Director of Finance the necessary data for collecting the Water Quality Protection Charge from owners of property subject to the Charge. The data must include the identification of every parcel to be charged and the amount of the Charge.
- B. The Director of Finance must include the Charge as a separate line item on the real estate tax bill for each property subject to the Charge.
- C. The Director of Finance must deposit all payments collected under this Section into a County stormwater management fund.
- D. Interest on any overdue payment accrues according to the same schedule and at the same rate charged for delinquent real property taxes until the owner has remitted the outstanding payment and interest. An unpaid Charge is subject to all penalties and remedies that apply to unpaid real property taxes. If the unpaid Charge becomes a lien against the property, the lien has the same priority as a lien imposed for nonpayment of real property taxes.

Section [6] 7. Requests for Adjustment; Appeals

- A. A property owner may request a review and adjustment of the Charge by petitioning the Director in writing[within 21 days], not later than September 30 of the year that payment of the Charge is due, after the property owner receives a bill for the Charge if the property owner believes that the Charge has been assigned or calculated incorrectly.
- B. When submitting a petition for review of the Charge, the property owner must include a detailed statement of the basis for the petition and documents supporting the property owner's assertion that the property should be assigned to a different classification, the impervious area measurements used to calculate the ERUs for the property are incorrect, or the property is not subject to the Charge under applicable law.
- C. Within 60 days after receiving the petition, the Director must review the Charge assigned to the property and make a written determination of whether the property owner's request for an

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adjustment of the Charge should be granted or denied. The Director may request additional information from the property owner that the Director reasonably believes will help the Director decide whether the property owner is entitled to an adjustment.

- D. If the Director concludes that the Charge was levied by mistake or resulted from an inaccurate computation, the Director must submit the corrected data to the Department of Finance with a request for an adjustment to the property owner's bill. After receiving the Director's request, the Director of Finance must make an appropriate adjustment based on the new data submitted by the Director and refund any overpayment to the property owner.
- E. If the Director concludes that some or all of the requested adjustment should be denied, the property owner may seek reconsideration of the Director's conclusion by submitting a written request for reconsideration with supporting reasons to the Director within 10 days after the date of the Director's written decision.
- F. If the Director does not approve the request for reconsideration, the property owner may appeal the Director's final decision within 10 days after the Director issues that decision as provided in Chapter 2A, Article I, of [Chapter 2A] the County Code.
- G. The County Board of Appeals is the designated authority charged with hearing and deciding all appeals taken from the Director's final decision to deny any relief requested under this [Section] regulation.

[Section 7. Severability]

[If a court holds that a portion of this regulation is invalid, the other portions remain in effect.]

[Section 8. Effective Date]

[This regulation takes effect upon approval by the County Council.]

Section 8. Requests for Exemption

- A. Before paying the Charge, the owner-occupant of a residential property may apply for a financial hardship exemption from the Charge by submitting a written request to the Director in a form prescribed by the Director not later than April 1 of the year before payment of the Charge is due.
- B. To be eligible for the exemption, the property owner's request must be accompanied by a copy

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of the owner's income tax returns indicating that the property owner's gross household income did not exceed 100 percent of the poverty guidelines published by the United States Department of Health and Human Services for the year before payment of the Charge is due.

- C. The Director must issue a written decision to grant or deny the exemption within 30 days after receiving the request.
- D. Any exemption granted under this Section is only valid for the year that payment of the Charge is due.
- E. If the Director denies the exemption, the property owner may seek reconsideration of the Director's decision by submitting a written request for reconsideration with supporting reasons to the Director within 10 days after the date of the Director's written decision.
- F. If the Director does not approve the request for reconsideration, the property owner may appeal the Director's final decision within 10 days after the Director issues that decision as provided in Chapter 2A, Article I, of the County Code.

Section 9. Severability

If a court holds that a portion of this regulation is invalid, the other portions remain in effect.

Isiah Leggett
County Executive

Approved as to Form and Legality

Office of County Attorney

Walter E. Wilson

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